

**State of Colorado Public Officials' and Employees'**  
**Defined Contribution Plan**  
**QUALIFIED DOMESTIC RELATIONS ORDER**  
**POLICIES AND PROCEDURES**

***Section 1.   General***

The State of Colorado Deferred Compensation Committee (hereafter referred to as the "Committee") is the administrator of the State of Colorado Public Officials' and Employees' Defined Contribution Plan.

The Committee has three major obligations with regard to QDROs: 1) provide information to prospective alternate payees regarding account balances and participation information of the participant, with the participant's consent or subject to legal process; 2) make a determination as to whether a proposed order is a qualified domestic relations order in accordance with these written policies and procedures; and 3) pay benefits to an alternate payee according to the terms of the qualified domestic relations order.

***Section 2.   Applicable Law***

- (a)   The State of Colorado Public Officials' and Employees' Defined Contribution Plan (hereafter referred to as the "Plan") is a governmental plan and, thus, is not subject to the qualified domestic relations order provisions of ERISA. Use of the terms "Qualified Domestic Relations Order" or "QDRO" refer to a marital property division order under Colorado Revised Statutes, Section 14-10-113(6).
- (b)   The Plan provides that a participant's benefits will be payable to an alternate payee under a Qualified Domestic Relations Order (QDRO), in accordance with Internal Revenue Code Section 414(p), and pursuant to State of Colorado law. Colorado Revised Statutes Section 14-10-113 (6) requires that all retirement benefits for public employees from a qualified plan established pursuant to Colorado law shall be divisible directly by the plan in all actions for dissolution of marriage, legal separation and declaration of invalidity of marriage.
- (c)   The Committee believes a uniform QDRO policy applicable to both the Plan and the State of Colorado 457 Deferred Compensation Plan and the State of Colorado 401(a) Defined Contribution Match Plan is desirable.

***Section 3.   Effective Date***

For the Plan, this policy is effective in accordance with Colorado Revised Statutes Section 14-10-113(6) for orders issued on or after January 1, 2003.

#### ***Section 4. Benefits Subject to QDROs***

Benefits payable from the Plan will be subject to a QDRO in the manner specified under Colorado Revised Statute Section 14-10-113(6). Benefits payable from the Plan are based on the market value of a participant's individual account ("Account") in the Plan as of the date specified in the order subject to adjustment for investment gains or losses after that date.

#### ***Section 5. Requirements for a Qualified Order***

- (a) The order must be issued by a court of competent jurisdiction and certified by the clerk of that court.
- (b) The order is qualified only if it includes all of the following information:
  - 1. the name of the plan or plans to which the order applies and specifies that the order shall apply to successor plans;
  - 2. the names, Social Security numbers and mailing addresses of the participant and the alternate payee, as well as the alternate payee's relationship to the participant;
  - 3. the determinable portion of the participant's Account payable to each alternate payee (expressed either as a dollar amount or a percentage) as of a specified prior date subject to any market value adjustments for investment gains or losses from that date; and
  - 4. a clear indication that the order creates or recognizes the right of one or more persons other than the participant to receive all or a portion of the participant's benefit under the Plan.
- (c) An order is not qualified if any of the following apply:
  - 1. The order fails to comply with all of the requirements in subsection a. and b. above.
  - 2. The order requires the Plan to pay benefits to the alternate payee in an amount that is greater than the participant's Account balance in the Plan.
  - 3. The order requires the Plan to pay benefits in a form or type not allowed under the provisions of the Plan.
  - 4. The order requires the Plan to pay any alternate payee benefits that are payable to another alternate payee under an earlier order previously determined to be a QDRO.

5. The order is not issued by or certified by the clerk of a court of competent jurisdiction.

#### ***Section 6. Distribution of QDRO Benefits to Alternate Payees***

Benefits under the Plan are subject to a QDRO as of the date of divorce, legal separation or declaration of invalidity of marriage. QDRO benefits shall be distributed to an alternate payee pursuant to a QDRO as soon as administratively feasible after the Plan approves the order and in accordance Section 8 of this Policy.

#### ***Section 7. Procedural Requirements***

- (a) The Administrator will promptly acknowledge receipt of a proposed order by written notice to the participant and each alternate payee named in the order (or their designated representatives), and such written notice shall include a copy of the Plan's QDRO procedures.
- (b) The Administrator will make a determination, in consultation with the Plan's legal counsel, as to whether the proposed order is a qualified domestic relations order under the terms of the Plan, these written policies and procedures and any other rules adopted by the Committee.
- (c) The Administrator will place a hold on the payment of any amount that may be due to any participant during the determination period, if the participant is eligible to receive benefits at the time the order is received by the Plan.
- (d) The Administrator will provide written notice of the decision as to whether the proposed order is a qualified domestic relations order to the participant and each alternate payee named in the order (or their designated representatives), and the notice will include the reason or reasons the order failed to qualify and any rights of the parties to appeal the decision.

#### ***Section 8. When QDRO Benefits are Payable; Form of Payment***

An alternate payee will receive his or her share of the participant's benefit in the Plan in the form of a lump sum cash payment payable as soon as administratively practicable within 120 days after the approval of the order.

#### ***Section 9. Death of Alternate Payee***

- (a) If the alternate payee dies before the order becomes a final order of the court, the order will not be approved.
- (b) If the alternate payee dies after the order becomes a final order of the court, the benefits will be paid to the alternate payee's designated beneficiary, or if none, to the alternate payee's estate.

### ***Section 10. Taxation of QDRO Payments***

The Plan will pay the alternate payee's QDRO benefits, subject to regular income tax withholding as required under federal and State law.

### ***Section 11. Model Order***

The Administrator will develop and make available model agreement and order forms for use by the public. The Plan may assess reasonable attorney fees, not to exceed \$500, for legal review of proposed agreements or orders not in compliance with the prescribed model format. Such fees may be deducted directly from the participant's account(s) on a pro-rata basis as a participant expense prior to calculation and payment of any QDRO benefits.

### ***Section 12. Process QDRO***

To process an order for review under this policy where all required conditions under **Section 5. Requirements for Qualified Order** has been met; the participant should then forward all documentation to the address below. In addition to the QDRO documentation, when utilizing the prescribed format as set forth in these procedures, the participant shall provide a check made payable to Treasurer, State of Colorado, in the amount of \$50.00 to cover administrative costs for legal review of the QDRO.

Department of Personnel and Administration  
Employee Benefits Unit  
State Defined Contribution Retirement Plan  
1313 Sherman Street, First Floor  
Denver, CO 80203  
Attn: Benefits and Deferred Compensation Coordinator  
457 QDROs questions please call: 303-866-3434 or 1-800-719-3434